

DESIGN - UNDERSTANDING

The following describes the functionality and features included in SQM.

Objective

The objective of this page in SQM is to document an understanding of the nature and circumstances of the firm and the engagements performed by the firm.

The understanding of the firm will assist in identifying conditions, events, circumstances, actions or inactions that may adversely affect the achievement of the quality objectives, which will result in the recording of possible quality risks.

Page position

UNDERSTANDING can be found in the DESIGN module.

Page content

This page has a few sections, which include questions to be answered.

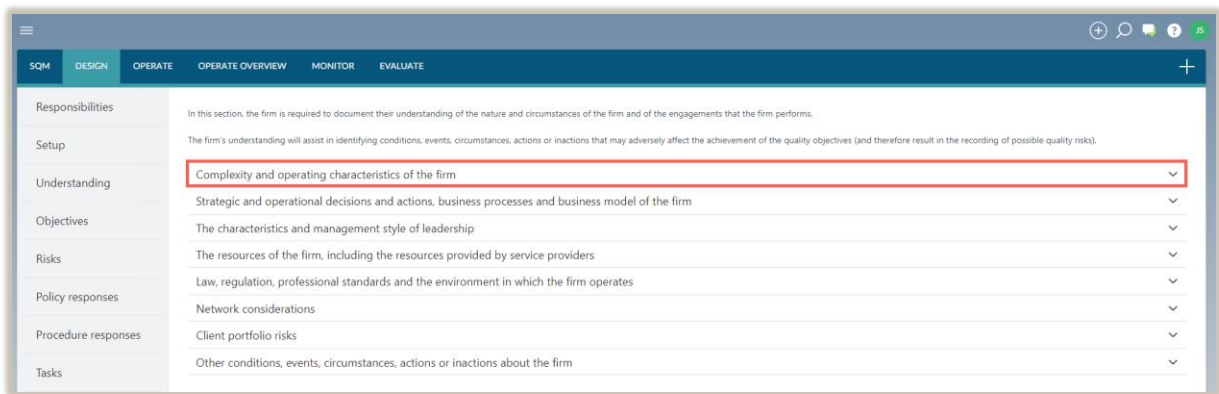
These questions will prompt the documentation of the firm's understanding and will assist in identifying possible quality risks, which should then be recorded and assessed.

Sections include:

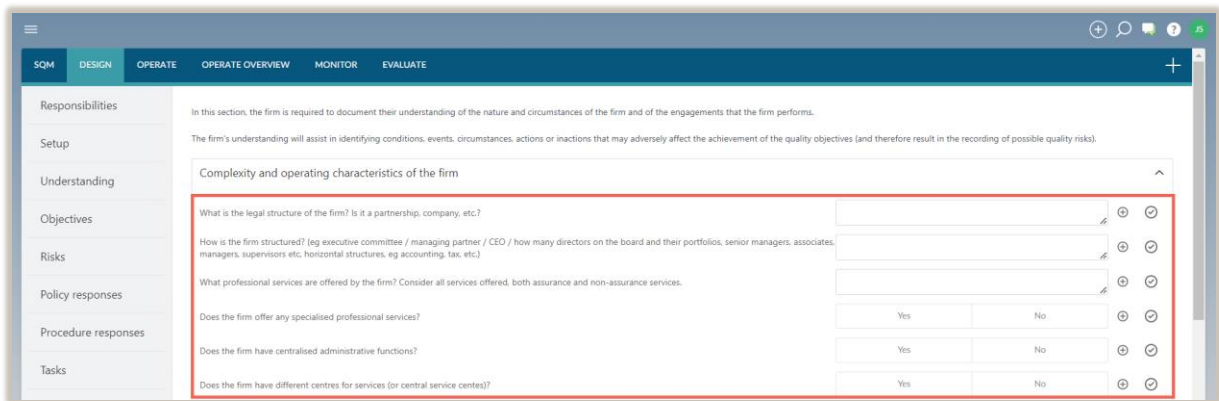
- Complexity and operating characteristics of the firm;
- Strategic and operational decisions and actions, business processes and business model of the firm;
- The characteristic and management style of leadership;
- The resources of the firm, including the resources provided by service providers;
- Law, regulation, professional standards and the environment in which the firm operates;
- Network considerations;
- Client portfolio risks; and
- Other conditions, events, circumstances, actions or inactions about the firm.

1. Expand a section

To expand a section, click on the section header.

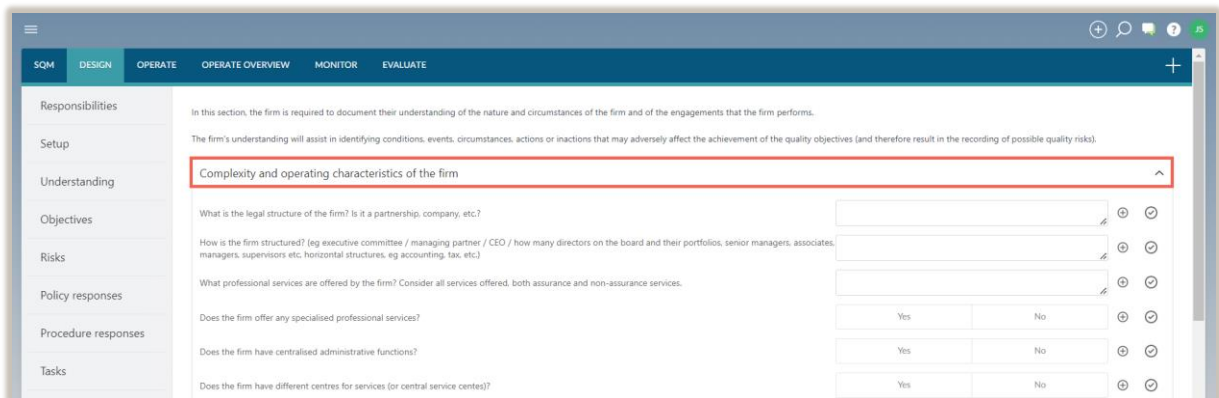


The questions for that section will then be visible.



2. Collapse a section

To collapse a section, click on the section header.



3. Answer a question

The sections include questions that either require a manual input into a text area or a box that holds options to select in response to the question.

- Questions with text areas: The question is answered by completing the text area.

- Simple question: The question is answered by selecting one of the options provided in the box.

4. Change height of text area

Where the information recorded in a text area is more than the space provided by default, the height of the field can be increased.

Select the bottom right corner of the text area and drag it down to increase and up to decrease the height.

5. Sign-offs and approvals

PREPARER SIGN-OFF

All questions must be answered and signed off as 'prepared by' before continuing with the rest of the design of the firm's system of quality management. This is achieved by clicking on the sign-off icon next to the question.

CONCLUSION

The individual with ultimate responsibility and accountability (UR) for the firm's system of quality management must conclude that all objectives and risks have been recorded. This conclusion is done in the context of the firm's understanding of the nature and circumstances of the firm and the engagements that it performs.

The UR has the option to document a note in the text area and will sign-off the 'agree and sign off' button to indicate their conclusion.

The screenshot shows the 'DESIGN' tab in the SQM system. The left sidebar lists various sections: Responsibilities, Setup, Understanding, Objectives, Risks, Policy responses, Procedure responses, Tasks, Review & Publish, Monitor Reports, and Monitoring activities. The main content area is titled 'Conclusion' and contains a 'Note' text area and an 'Agree and Sign Off' button. The 'Note' text area is highlighted with a red border. The 'Agree and Sign Off' button is also highlighted with a red border.

After approval, this screen will reflect:

- The note made, if any;
- The name of the approver; and
- The date of the approval.

The screenshot shows the 'DESIGN' tab in the SQM system after approval. The left sidebar is the same as the previous screenshot. The main content area is titled 'Conclusion' and contains a 'Note' text area, an 'Approve' button, and a 'Remove Sign Off' button. The 'Approve' button is highlighted with a red border. Below the 'Approve' button, the name 'Juane Schreuder' and the date '12/12/2022' are displayed.

Page Outcomes

After completing this page, you will have a clear understanding of all the elements of your firm (and its engagements) and will be able to take this information into consideration while designing your firm's system of quality management.

Features

The following features are available on this page:

- Sign-off as accept, review or prepared by, see page XXX;
- Include a link/URL, see page XXX; and
- Add a new item, see page XXX.